PUBLIC TRUSTEE FOR SASKATCHEWAN

FINANCIAL STATEMENTS

For the Year Ended March 31, 1987

OFFICE OF THE PROVINCIAL AUDITOR

REGINA, SASKATCHEWAN

AUDITOR'S REPORT

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the balance sheet of the Public Trustee for Saskatchewan as at March 31, 1987 and the statements of common trust revenue, distributed and undistributed earnings and changes in trust funds for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Public Trustee for Saskatchewan as at March 31, 1987 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

W. G. Lutz

Regina, Saskatchewan,
October 26, 1987.

W. G. Lutz, F.C.A.
Provincial Auditor.

Statement 1

PUBLIC TRUSTEE FOR SASKATCHEWAN

BALANCE SHEET

As at March 31

	1987	1986
ASSETS		
Cash	$ (22,429)	$ 36,514
Accrued interest receivable	1,274,673	1,429,395
Securities and other assets (Notes 1 & 2)	63,745,216	59,106,956
	$64,997,460	$60,572,865
LIABILITIES		
Accounts payable - Estates	$ 146,206	$ 132,293
- Administration fees (Note 3)	1,218,157	1,139,408
Total Accounts Payable	1,364,363	1,271,701
Funds held in trust for estates		
Distributed earnings	61,581,653	56,866,975
Undistributed earnings (Statement 2)	1,274,673	1,429,392
Undistributed net unrealized premiums and discounts (Notes 1 & 2)	776,771	1,004,797
Total funds held in trust for estates (Statement 3)	63,633,097	59,301,164
	$64,997,460	$60,572,865

(See accompanying notes to the financial statements)

Statement 2

PUBLIC TRUSTEE FOR SASKATCHEWAN

STATEMENT OF COMMON TRUST REVENUE, DISTRIBUTED AND UNDISTRIBUTED EARNINGS

For the Year Ended March 31

	1987	1986
Common Trust Revenue:		
Interest income	$5,386,037	$5,106,596
Bank interest	30,201	37,502
Discounts realized	107,052	106,546
Gains & (losses) realized	924,321	81,948
Total available for distribution (Statement 3)	6,447,611	5,332,592
Earnings distributed during year	6,602,330	5,219,505
Undistributed earnings for the year	(154,719)	113,087
Undistributed earnings - beginning of year	1,429,392	1,316,305
Undistributed earnings - end of year (Statement 1)	$1,274,673	$1,429,392

(See accompanying notes to the financial statements)

Statement 3

PUBLIC TRUSTEE FOR SASKATCHEWAN

STATEMENT OF CHANGES IN TRUST FUNDS

For the Year Ended March 31

	1987	1986
Trust funds provided:		
Estate capital - cash	$ 6,279,335	$ 4,343,734
- other	(508,097)	231,825
Revenue earned on behalf of trusts		
- common (Statement 2)	6,447,611	5,332,592
- individual	226,747	413,535
Wages and pension benefits	8,758,979	8,320,609
Property rentals	399,899	518,429
Miscellaneous	1,273,072	1,986,139
Total trust funds provided	22,877,546	21,146,863
Trust funds applied:		
Payment on released estates	7,835,938	6,139,625
Maintenance and other payments on behalf of estates	9,382,358	8,738,017
Administration fees (Note 3)	1,327,317	1,236,105
Total trust funds applied	18,545,613	16,113,747
Increase in trust funds	4,331,933	5,033,116
Balance, beginning of year	59,301,164	54,268,048
Balance, end of year (Statement 1)	$63,633,097	$59,301,164

(See accompanying notes to the financial statements)

PUBLIC TRUSTEE FOR SASKATCHEWAN

NOTES TO FINANCIAL STATEMENTS

March 31, 1987

1. Accounting Policies

a) Common Trust Securities

Common trust securities are purchased by the Public Trustee with the cash assets of the estates and are recorded at par value except for short term investments which are recorded at cost. In accordance with the regulations issued pursuant to the Public Trustee Act, unrealized premiums and discounts are amortized using the effective rate of return method. Gains or losses on the sale of investments are recognized in the year of sale. Interest received on these securities is distributed semi-annually on September 30 and March 31, to the individual estates.

b) Individual Trust Securities and Other Assets

Individual estate investments held in trust consist of assets held by individuals at the date their estate came under the control of the Public Trustee and of assets subsequently invested in the name of individuals by the Public Trustee. These individual trust investments are valued as follows:

(i) bonds and debentures - at par value at the date the Public Trustee assumes control of the assets or if in the opinion of the Public Trustee it is deemed in the best interest of the estate to reinvest these securities at maturity, at cost at the time of renewal.

(ii) shares - at market value at the date the Public Trustee assumes control, with subsequent significant increases or decreases in value being recognized and reflected in the estate annually.

(iii) real estate - at appraised value at the date the Public Trustee assumes control of the assets or at cost, if in the opinion of the Public Trustee it is deemed in the best interest of the estate to purchase real estate, with a periodic review by land representatives and adjustments to the individual estate if a significant change has occurred.

(iv) miscellaneous assets - at amounts determined from information available to the Public Trustee at the date the Public Trustee assumes control of the assets with subsequent adjustments made as additional information is received.

(v) Any interest or dividends received on these investments or any changes in original valuation of these investments are distributed to the individual estate equity of which these investments form a part.

c) Other transactions

All other receipts received and payments made on behalf of the estates are recorded in the accounts upon receipt or disbursement of monies.

2. Securities and Other Assets Held in Trust as at March 31

	1987	1986
Common Trust Securities:		
Bonds & Debentures at par value (Market value 1987 - $49,504,291; 1986 - $48,512,810)	$46,622,444	$46,265,115
Short term investments at cost	9,260,455	3,921,374
	55,882,899	50,186,489
Individual Trust Securities:		
Bonds and Debentures at par value (Market value *)	1,444,812	1,946,094
Shares at market value	934,187	953,679
	2,378,999	2,899,773
Total securities (Schedule 1)	58,261,898	53,086,262
Individual Trust - Other Assets:		
Real estate	5,149,854	5,470,959
Miscellaneous	333,464	549,735
Total Securities and Other Assets	$63,745,216	$59,106,956
Net unrealized premiums and discounts related to Common Trust Securities	$ 776,771	$ 1,004,797

* Since the majority of Individual Trust Bonds and Debentures are not publically traded, their market value has not been determined.

3. Administration Fees

In accordance with The Public Trustee Regulations administration fees are assessed and subsequently paid to the Consolidated Fund when collected from the estates.

4. Related Party

In accordance with section 53 of The Public Trustee Act, all general administrative and employee costs required for the administration of the Public Trustee are paid out of the Consolidated Fund of the Province of Saskatchewan (1987 - $757,171; 1986 - $739,316). Accordingly, no provision for such costs is included in these financial statements.

5. Authority

The Public Trustee was established under the Public Trustee Act, Chapter P-43.1, 1983.

In accordance with this Act, the Public Trustee is successor in office to:

a) The Official Guardian appointed pursuant to the Infants Act,

b) The Administrator of Estates appointed pursuant to the Administration of Estates of Mentally Disordered Persons Act.

Schedule 1

PUBLIC TRUSTEE FOR SASKATCHEWAN

SCHEDULE OF SECURITIES HELD

As at March 31

	Common	Individual	1987 Total	1986 Total
Government of Canada	$ 6,350,000	$ 566,302	$ 6,916,302	$ 10,141,304
Provincial:				
Alberta	500,000		500,000	1,000,000
British Columbia	1,070,000		1,070,000	1,825,000
Manitoba	--		--	515,000
New Brunswick	675,000		675,000	1,205,000
Newfoundland	1,125,000		1,125,000	1,520,000
Nova Scotia	900,000		900,000	1,405,000
Ontario	3,810,000		3,810,000	2,422,000
Prince Edward Island	455,000		455,000	575,000
Quebec	--		--	805,000
Saskatchewan	6,180,000		6,180,000	6,366,000
Municipalities:				
Alberta	1,225,000		1,225,000	1,225,000
British Columbia	200,000		200,000	200,000
Saskatchewan	304,000		304,000	361,300
Sundry Bonds	23,528,444	878,510	24,406,954	18,645,605
Share Certificates	300,000	934,187	1,234,187	953,679
	$46,622,444	$2,378,999	49,001,443	49,164,888
Short term investments			9,260,455	3,921,374
			$58,261,898	$ 53,086,262